

# REQUEST FOR PURCHASE IN EXCESS OF \$20,000/CHANGE ORDER



**To:** MAYOR AND CITY COUNCIL

**Agenda Item #:** VIII. H.

**From:** Chad A. Millner, PE, Director of Engineering

**The Recommended Bid is**

☒ Within Budget

☐ Not Within Budget

**Date:** April 22, 2014

**Subject:** Award of Bid - Contract ENG 14-4 Birchcrest B Neighborhood Roadway Improvements

**Date Bid Opened or Quote Received:**  
April 8, 2014

**Bid or Expiration Date:**  
June 8, 2014

**Company:**

Palda and Sons, Inc.  
Northdale Construction Company, Inc.  
Max Steininger, Inc.  
Park Construction Company  
Northwest Asphalt, Inc.

**Amount of Quote or Bid:**

Sch. A + Sch. B  
\$2,859,371.73  
\$2,891,455.72  
\$2,943,622.36  
\$2,976,123.67  
\$3,159,751.39

Northdale Construction Company, Inc.  
Palda and Sons, Inc.  
Max Steininger, Inc.  
Park Construction Company  
Northwest Asphalt, Inc.

Sch. A + Sch. C  
\$2,879,362.60  
\$2,905,644.99  
\$2,978,247.72  
\$3,143,468.89  
\$3,340,675.76

**Recommended Quote or Bid:**

Palda and Sons, Inc.

\$2,859,371.73 (Schedules A + B)

**General Information:**

This project includes the roadways of Birchcrest Drive, Clover Ridge, Normandale Road, Porter Lane, Roberts Place, Rolf Avenue, Tingdale Avenue, Valley View Road, Wilryan Avenue, West 60<sup>th</sup> Street, and West 62<sup>nd</sup> Street.

The project involves localized rehabilitation of the sanitary sewer, extensions to the storm sewer system, upgrades to fire hydrants and gate valves, concrete curb and gutter spot repairs, installation of curb bump-outs along Valley View Road, a sidewalk along Normandale Road, and reconstruction or repairs of all streets. The project was ordered by the City Council at the Dec. 10, 2013 public hearing.

Please recall council requested that staff solicit alternate bids for work along the concrete streets within the neighborhood. Those streets are West 60<sup>th</sup> Street, Tingdale Avenue, and Clover Ridge accounting for approximately 30% of the street length. Three bids schedules were completed; Schedule A was the base bid for all street and utility operations along non-concrete streets, Schedule B included complete removal of the

concrete pavement and replacement with bituminous pavement and Schedule C included repairing the existing concrete pavement. These alternate bid schedules allowed staff to analyze the cost / benefit of the different reconstruction techniques along the concrete streets.

The award of bid could be Schedule A + Schedule B or Schedule A +Schedule C. As shown above, the low bidder was different between the two possible award scenarios. The difference between the total overall bids for each award option was approximately \$20,000. The table below shows the anticipated effects of each low bid on assessments and utility costs.

<b>Award Option</b>	<b>Estimated Assessment per REU at Public Improvement Hearing</b>	<b>Estimated Assessment per REU w/ Bid Prices</b>	<b>Estimated Change of Assessment</b>	<b>Estimated % Change of Assessment</b>
Schedule A + B	\$12,500	\$11,500	-\$1,000	-8.0%
Schedule A + C	\$12,500	\$12,460	-\$40	-0.3%
<b>Award Option</b>	<b>Estimated Utility Costs at Public Improvement Hearing</b>	<b>Estimated Utility Costs w/ Bid Prices</b>	<b>Estimated Change of Utility Costs</b>	<b>Estimated % Change of Utility Costs</b>
Schedule A + B	\$1,591,000	\$1,763,220	+\$172,220	+10.8%
Schedule A + C	\$1,591,000	\$1,668,440	+\$77,440	+4.9%

We had 59 plan holders and approximately 10 work directly in the concrete pavement area of construction. Reviewing the list of plan holders, we feel we had a very good cross-section of firms looking at this project. In a bituminous street reconstruction project, we typically recycle the existing bituminous pavement into the new street. Due to the small quantity and relatively high cost, we will not recycle the existing concrete into the new street. However, most contractors will recycle the concrete pavement to be used on other projects in the area.

Staff recommends awarding Schedules A and B to remove and replace the concrete with bituminous pavement to Palda and Sons, Inc. for the following reasons:

1. An approximate \$1,000 reduction in the assessment per REU
2. This will reduce the street width by approximately 2-ft and would align with our draft Living Streets Plan to provide the following benefits,
  - a. reducing impervious surface area
  - b. increasing green/turf boulevards

- c. increasing opportunities for infiltration of stormwater
3. Improved aesthetics versus a repaired concrete street i.e. misc. colors and pavement surface texture and heights.
4. Reduction in vehicle noise when traveling over deteriorating concrete pavement joints.
5. Ease of future maintenance with current public works capabilities.
6. Reduction in future costs if homeowner needs to upgrade private utilities in street.

We did receive comments from the neighborhood about the need for diamond grinding and the effects on the life of the concrete pavement. Diamond grinding provides the benefits listed below and in our opinion it would be needed to compare the finished product of bituminous pavement to repaired concrete pavement.

- a smoother finished surface
- reduces road noise and increases surface friction
- does not significantly affect fatigue life of the pavement
- does not affect durability
- may be applied in spot locations but generally recommended over the entire pavement

If the concrete grinding was removed from the bid, the estimated assessment related to Schedules A + C would be reduced by \$570 to \$11,930. In either case, with or without the concrete grinding, removal and replacement with bituminous pavement provides a lower assessment.

This project will be funded by special assessments, PACS and respective utility funds. These values could change based on construction related items such as soil corrections and turf restoration. The final special assessments will be calculated prior to the final assessment hearing in 2015.

Due to the preliminary success of hydro-seeding, all of the 2014 projects turf areas will be restored with this technique. Staff will continue to monitor the progress of hydro-seeding from our 2013 projects throughout the 2014 season.